



Expanding Childcare in Rural America Act

Agricultural and rural prosperity hinge on attracting and retaining a vibrant healthy workforce. Childcare is an essential service supporting this workforce while also enhancing rural quality of life. Yet, it is expensive and often unavailable for families, farm workers, and rural residents. Before COVID decimated the childcare sector, a 2018 study found that 3 in 5 rural communities lacked adequate childcare supply.

Childcare has direct economic impacts by affecting the farm's production and marketing systems which in turn affects farm viability, risk management, workforce attraction and retention, farm safety, mental health, and quality of life. Childcare is an issue that affects all of agriculture regardless of farm size, production system or geographic location.

Recognizing childcare is a crucial component to broader economic development the *Expanding Childcare in Rural America Act* (ECRA) **would create a multi-program initiative at U.S. Department of Agriculture (USDA) Rural Development (RD) to address the availability, quality, and cost of childcare in agricultural and rural communities.** For the purposes of this bill childcare means any program that provides care and early education for children who are in kindergarten or younger and is operated as a center (including school-base programs) or in a family home that is properly licensed.

The initiative would direct USDA-RD to *prioritize* projects that address the availability, quality, and cost of childcare in agricultural and rural communities through the following programs:

- **The Community Facilities Program** - This program offers direct loans, loan guarantees and grants to develop or improve essential public services and facilities in communities across rural America.
- **Community Facilities Technical Assistance and Training Grant** – This program offers grants to eligible public bodies and private, nonprofit organizations (such as states, counties, cities, townships, incorporated towns, villages, boroughs, authorities, districts, and Tribes located on Federal or state reservations) to provide technical assistance and/or training in support of the essential community facilities program.
- **The Business & Industry Loan Guarantee Program** - This program provides loan guarantees to commercial lenders for loans to eligible rural businesses.
- **The Rural Business Development Grant Program** – This program is a competitive grant designed to support targeted technical assistance, training, and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues.
- **The Rural Innovation Strong Economy Grant Program** – This program offers grant assistance to create and augment high-wage jobs, accelerate the formation of new businesses, support industry clusters and maximize the use of local productive assets in eligible low-income rural areas.
- **The Rural Microentrepreneur Assistance Program** – Provides loans and grants to Microenterprise Development Organizations (MDOs) to provide microloans for microenterprise startups and growth through a Rural Microloan Revolving Fund; and provide training and technical assistance to microloan borrowers and micro entrepreneurs.

The bill would also allow USDA-RD to make awards through intermediaries such as, childcare resource and referral organizations, staffed family childcare networks, and Community Development Financial Institutions (CDFIs) with demonstrated expertise in the childcare sector.